This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 02 ABUJA 001913

SIPDIS

E.O. 12958: DECL: 05/27/2005

TAGS: EFIN PREL KCRM PINS NI SUBJECT: NIGERIAN READOUT TO G-7 AMBASSADORS

REF: ABUJA 1597

CLASSIFIED BY CDA ANDREWS. REASON 1.5(B).

- (C) Summary: The GON feels Africa needs more carrots and fewer sticks to advance development, NPC Commissioner Isaac Aluko Olokun told G-7 Heads of Mission in late May. He urge greater understanding for Nigeria's institutional flaws and argued that NePAD should be a process, not an institution. He urged He said African countries needed easier access to developed country markets and brushed aside our point about slow GON progress toward fulfilling AGO textile requirements, saying the West had "given" Nigeria democracy and would have to live with the results. The GON clearly feels that we should not press it (or Africa as a whole) for immediate concrete steps. Instead, the GON wants a dialogue in which the G-8 countries offer both incentives and a sympathetic ear. Transmithis message was inadvertently delayed. End Summary. Transmission of
- (C) Ambassador Isaac Aluko-Olukun 24 May briefed G-7 Heads of Mission or charges (Russia not present) on the Maputo NePAD/G-8 discussions. He was unhappy with G-8 resistance to discussion of middle income country debt relief, the big issue for President Obasanjo. He stressed that NePAD (New Partnership for African Development) should be a process, not an institution. The issue of "NePAD compliance" made many Africans uncomfortable; they felt Baroness Amos's push for dealings only with those countries that are "compliant" was out of place. President Obasanjo believed that Africa needed carrots, carrots, carrots, stick, but the G-8 seemed to have sticks, sticks, sticks, carrot in mind. Africa also wanted more funds for infrastructure, Aluko-Olukun said.
- 13. (C) British Acting High Commissioner Charles Bird bluntly addressed the inadequacy of GON social spending (health and education) and pushed pack hard against the NePAD desire for "huge" infrastructure projects. These had in the past generated "huge corruption." Aluko-Olukun responded in very general terms ways and averred that the fight against corruption was a priority for the Obasanjo administration. He likened Nigeria to a loaded supertanker. So many years of military rule had jaded the body politic and diminished its understanding of democratic mores. The supertanker could not change course nimbly. The G-8 should observe and appreciate the small signs of course adjustment, not expect new directions immediately.
- (C) Changing the metaphor to foot travel, I commented that the journey of a thousand miles starts with a single step. As diplomats and official visitors to Nigeria's capital observed life, corruption (allocation of parkland to officials and political figures) and waste (convoys of 14-plus vehicles ferrying governors around town) were daily evident. These were powerful, negative symbols. Could Aluko-Olukun offer one or two examples of what the GON was doing to combat corruption and eliminate waste? Aluko-Olukun spoke eloquently but unspecifically about Obasanjo's strong opposition to corruption. When Aluko-Olukun wound down, Bird repeated the earlier question. The Nigerian official became defensive, but he eventually cited the establishment of the Independent Corrupt Practices Commission. Huge gubernatorial convoys were wasteful, he agreed, but they were a product of gubernatorial vanity and excess. The Federal Government could not be held responsible. There needed to be "fiscal federalism" federalism" (compelling the states to generate more revenue internally) in order to instill responsibility, Aluko-Olukun concluded.
- (C) COMMENT: The ICPC is underfunded, lacks prosecutorial powers and depends (for now) on U.S.-funded training for its staff. In fact, the GON has taken a useful step to constrain corruption, the establishment of a value-for-money audit of major contracts called "due process." Nevertheless, corrupt allocation of land within Abuja is an expensive and glaringly obvious symbol of the Obasanjo Administration's inability to get at the root of corruption. Aluko-Olukun briefly sought to defend the practice, saying that Nigerian civil servants

lacked adequate pensions and needed some means to support themselves in retirement. He dropped that tack when body language made it clear that the diplomats around him were not sympathetic. END COMMENT.

- 16. (C) Aluko-Olukun said there would be a gathering on the margins of the AFDB annual meeting in Addis Ababa to advance discussion on both the political and economic peer review mechanisms. He did not suggest that final consensus would be reached. He complained that Libya's Qadhafi was inciting other African Heads of State against Obasanjo's efforts to introduce greater transparency by caviling that they were stalking horses for neocolonialism. Obasanjo needed strong support, not questions and skepticism, in order to make the peer review mechanism a reality.
- 17. (C) Africa civil society groups were also bedeviling the NePAD Heads of State, Aluko-Olukun continued. They generally opposed engagement with the G-8. Most Heads of State had the electoral mandates the NGOs lacked and were resolute about pursuing engagement, however. Bird encouraged continued engagement with, and education of, the NGOs. Aluko-Olukun agreed.
- 18. (C) Aluko-Olukun raised market access issues, worrying that increased U.S. farm subsidies could eventually reduce markets for African goods. I pointed out that Nigeria's national legislature needed to make one minor change to a law in order to take an important step toward AGOA eligibility. Aluko-Olukun riposted that "you gave us democracy" and so had to live with the results. Another participant asked what the GON was doing to educate legislators. Aluko-Olukun replied that efforts were in train but that few Nigerian legislators were interested in NePAD. South Africa was having a bit more success because its parliamentarians understood the potential of NePAD.
- 19. (C) COMMENT: Many Nigerian Senators and House Members pursue personal interests to the near-exclusion of concern for the welfare of their fellow citizens -- a trait they share with many officials of the Executive Branch. As Aluko-Olukun's brief foray into justifying nontransparent land-allocation practices suggests, changing these attitudes will indeed take time. The GON apparently feels, probably from its very top, that the G-8 countries should demand fewer and less difficult concrete steps of struggling African countries. Instead, we are asked to lend a sympathetic listening ear and to provide carrots (incentives) rather than to wield sticks. END COMMENT.
- 10. (U) NOTE: This message was prepared on May 28, 2002. Post regrets that an oversight inadvertently delayed its transmission.

 ANDREWS